GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1576
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Insurance Products
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Will the Minister of FINANCE be pleased to state:

(a) whether various public sector insurance companies are selling their products at different prices for online and offline customers;

(b) if so, the details thereof and the reasons therefor, company-wise;

(c) whether online payment system of insurance companies are not functioning properly and regularly causing inconvenience to customers;

(d) if so, the details thereof; and

(e) the corrective steps taken by the Government to streamline the functioning of online system of public sector insurance companies?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) & (b): As per the information furnished by Insurance Regulatory and Development Authority of India (IRDAI), the price of Insurance products sold online through the Insurance Company's website, without any intervention of agent or intermediary, is lower in comparison to the offline version because no commission is payable in such cases. The cost of online products sold by the insurers gets reduced by the amount of savings due to non-payment of commission on such products. However, any system establishment expenses, expenses related to call centre to assist the online customers etc. get added to the price of such products. Hence, the prices may vary when the products are sold through online and offline.
(c) to (e): No such instances have come to the notice of the Authority.
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